

Interagency Service Agreement (ISA)

FY17 Automation Projects Fund Appropriation

This ISA documents the agreement between the Arizona Department of Administration (ADOA) and the **Arizona Department of Education**, hereafter referred to as “agency,” related to information technology projects funded by the Legislature to ADOA, but for which the agency is responsible for delivering the expected technology outcomes. This agreement shall cover all projects tied to implementing, upgrading and maintaining of the student longitudinal data system and the education learning and accountability system by the agency.

1. **Term/Termination:** This agreement shall be effective upon the date the last party signs this agreement through June 30, 2017. This agreement may be terminated by either party in accordance with section 38-511, Arizona Revised Statutes. Either party may also terminate this agreement upon thirty (30) day’s written notice to the other party. If ADOA initiates termination, ADOA shall have the right to refuse transfer of further monies from the Automation Projects Fund (APF), and recall any unspent and unencumbered monies in the agency’s “IGA / ISA Fund,” in accordance with Paragraph 2. If the agency initiates, the agency shall return any unspent and unencumbered monies, and provide a final projections report in accordance with Paragraph 3.
2. **Project Disbursements/Accounting:** It is the intent of ADOA to transfer the sum of up to **\$7,300,000** from the APF, established by section 41-714, Arizona Revised Statutes, to the agency, pursuant to Paragraph 4 below, on a basis that ensures the agency can perform the requirements of its funded project(s), while also ensuring the agency achieves its funded deliverables. The monies received should be deposited into the agency’s “IGA / ISA Fund” and shall be tracked separately in the Arizona Financial Information System (AFIS). The agency shall use the funds solely for the purpose of implementing, upgrading or maintaining automation and information technology projects as defined in Laws 2016, 2nd Regular Session, Chapter 117, Section 129.
 - a. As intended by the Legislature, the agency shall complete a significant portion of the replacement of the student accountability information system established by section 15-1041, Arizona Revised Statutes, provide a majority of school districts and charter schools with dashboards and other technology tools to measure student achievement and continue to stabilize and align the agency’s internal technology systems with the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes. The agency shall provide quantifiable deliverables of the legislature's intended progress to the Information Technology Committee (ITAC) and JLBC before seeking favorable review.

- b. This funding for the agency's automation project is contingent on the use of a contracted third-party consultant to evaluate and assess the project's feasibility, estimated expenditures, technology approach and scope throughout the life of the project. ADOA and the agency shall provide a recent report by the third-party consultant to ITAC and JLBC before seeking favorable review. Following JLBC review, the agency shall provide JLBC progress reports from the third-party consultant.
3. **Project Financial Reports:** The agency shall make initial monthly projections of expenditures for the entire fiscal year. The agency shall report the projections and the actual expenditures for each month to the ADOA Arizona Strategic Enterprise Technology (ADOA-ASET) division by the 15th day of the following month, per the schedule below. The agency may update and modify monthly expenditure projections as it deems appropriate and necessary to reflect planned work in future months. The reporting format will be via the "Projections" tab in the PIJ Status, Budget and Milestones Report, which is Attachment A of this document. ADOA will provide an electronic copy and training in the use of this workbook.
4. **Performance and Disbursements of Funds:** Monies will be disbursed to the agency as described in Paragraph 5 below, using projected expenditures in the PIJ Status, Budget and Milestones Report as the basis. Expected milestones will be created by the agency and reported in the PIJ Status, Budget and Milestones Report, under the tab labeled "Status Report." At least 15 work days after the end of the first reporting period, ADOA will review compliance with the expected deliverables. If compliance is satisfactory, ADOA will initiate transfer of monies, to cover projected expenditures for the Period Funded, on or before the last day of the month, as indicated in the schedule below. If compliance is determined to be unsatisfactory, ADOA will notify the agency of the performance deficiency within 15 work days of the end of the reporting period and determine, in consultation with the agency, what funding, if any, will be provided going forward, or will terminate this agreement pursuant to Paragraph 1 above.
5. **PIJ Status, Budget and Milestones Reports:** The agency shall establish objectives and planned milestones for the entire fiscal year. The reporting format will be via the "Status Report" tab in the PIJ Status, Budget and Milestones Report. The agency shall report the achievement of these milestones and key accomplishments for each reporting period to the ADOA-ASET division according to the schedule below:

Report Number	Agency Report Due to ADOA-ASET	Reporting Period	Period Funded	Funds Transfer Initiated
1	07/15/2016	Projected Only	Through 08/31/2016 projections	07/31/2016
2	08/15/2016	07/01/2016 – 07/31/2016	Through 09/30/2016 projections	08/31/2016

3	09/15/2016	08/01/2016 – 08/31/2016	Through 10/31/2016 projections	09/30/2016
4	10/15/2016	09/01/2016 – 09/30/2016	Through 11/30/2016 projections	10/31/2016
5	11/15/2016	10/01/2016 – 10/31/2016	Through 12/31/2016 projections	11/30/2016
6	12/15/2016	11/01/2016 – 11/30/2016	Through 01/31/2017 projections	12/31/2016
7	01/15/2017	12/01/2016 – 12/31/2016	Through 02/28/2017 projections	01/31/2017
8	02/15/2017	01/01/2017 – 01/31/2017	Through 03/31/2017 projections	02/28/2017
9	03/15/2017	02/01/2017 – 02/28/2017	Through 04/30/2017 projections	03/31/2017
10	04/15/2017	03/01/2017 – 03/31/2017	Through 05/31/2017 projections	04/30/2017
11	05/15/2017	04/01/2017 – 04/30/2017	Through 06/30/2017 projections	05/31/2017
12	06/15/2017	05/01/2017 – 05/31/2017	Report Only	06/30/2017
13	07/15/2017	06/01/2017 – 06/30/2017	Report Only	N/A

Note 1: First reporting period does not begin until an ISA is formally executed.

Note 2: First reporting period funding includes first month plus one additional month of projected expenditures. Subsequent reporting periods are funded one month in advance.

Note 3: All actual expenditures must be incurred by the agency by June 30, 2017.

6. Amendments: Amendments to this agreement must be in writing and be signed by both parties.
7. Records: Records related to this ISA shall be kept in accordance with the respective agencies' records retention policies approved by the Arizona State Library, Archives and Public Records.
8. Lapsing Funds: The APF appropriations made by Laws 2016, 2nd Regular Session, Chapter 117, Section 129 are not exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. Before the expenditure of any monies from the fund, JLBC shall review the expenditure plan presented by the agency for the fiscal year in which the monies are to be spent. Unless and until the appropriation authority is modified by law, the Agency should assume that no monies will be available for expenditure after June 30, 2017 and the Agency should not enter into any obligation of the monies cited in this document for goods or services that will be delivered or completed after that date.

9. Authority to Enter: The parties below represent that they are authorized to enter into and perform the agencies' obligations under this agreement.

Acknowledgement:

Acknowledgement:

Craig C. Brown, Director
Arizona Department of Administration

Shari Zara
Shari Zara, Deputy Superintendent
Arizona Department of Education

Dated

6-16-16

Dated